

Security First Bank

OF NORTH DAKOTA

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FDIC

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September 14, 2005

Director Johns F. Carter
FDIC San Francisco Regional Office
25 Jessie Street at Ecker Square, Suite 2300
San Francisco, CA 94105.

**Re: Comments Regarding FDIC Application #20051977;
Wal-Mart Application for Insurance and Industrial Bank Charter.**

2005 SEP 19 PM 10 49

Dear Mr. Carter:

We strongly oppose the above captioned application, and we respectfully request that you deny the Wal-Mart Stores, Inc. application for a Utah Industrial Bank or an industrial loan company charter (ILC) and federal deposit insurance. Allowing Wal-Mart in the financial services industry is dangerous for many reasons.

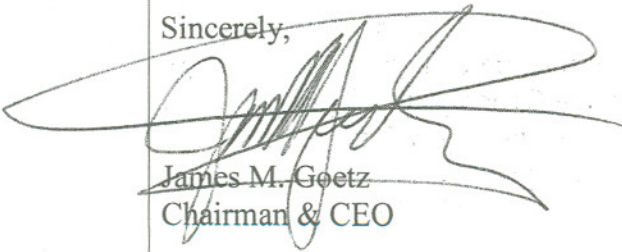
Mixing banking and commerce is simply bad public policy. It would lead to conflicts of interest and could jeopardize the impartial allocation of credit. Further, it appears to be in conflict with Congressional intent set forth when Congress reaffirmed its opposition to the mixing of banking and commerce in the Gramm-Leach-Bliley Act. One can easily envision a Wal-Mart Bank disfavoring small businesses that compete with Wal-Mart and favoring Wal-Mart suppliers in credit decisions, or even requiring Wal-Mart suppliers to bank with the Wal-Mart Bank.

Further, Wal-Mart has a history of de-stabilizing communities. With its vast resources, it has driven community grocery stores, pharmacies, and hardware stores out of business, and it would undoubtedly drive out community banks as well. Where would that leave the people in our communities who have come to rely on the hometown service and credit supplied by community banks?

In addition, a Wal-Mart bank would pose tremendous systemic risk. Wal-Mart now controls 8% of the non-restaurant, non-automotive sales in the U.S. With the market share potential a branch of Wal-Mart Bank in every Wal-Mart store would create, there would clearly be a dangerous and unprecedented concentration of economic power.

Again, I would respectfully request that you deny the above caption application and avoid a dangerous change in public policy that clearly has the potential to bankrupt the FDIC fund.

Sincerely,


James M. Goetz
Chairman & CEO

Sharing Your Dreams...Securing Your Future.